



Request for Public Comment on a Commercial Availability Request under the U.S. – Chile Free Trade Agreement

AGENCY: The Committee for the Implementation of Textile Agreements (CITA).

ACTION: Request for public comments.

SUMMARY: In June 2015, the Government of the United States received a request from the Government of Chile to modify the U.S.-Chile Free Trade Agreement (FTA) rules of origin for woven fabrics of artificial filament yarn in subheadings 5408.22-5408.23 of the Harmonized Tariff Schedule of the United States (HTSUS) to allow the use of non-U.S. or Chilean filament yarn of viscose rayon classified in subheadings 5403.10, 5403.31, 5403.32, and 5403.41 of the HTSUS. In July 2015, CITA solicited public comments on this request, in particular with regard to whether filament yarn of viscose rayon classified in subheadings 5403.10, 5403.31, 5403.32, and 5403.41 can be supplied by the domestic industry in commercial quantities in a timely manner. No information was received at that time indicating that domestic industry could supply the subject yarns. Subsequently, the United States and Chile have continued to consult regarding the subject rule change. In November 2022, the Government of Chile reiterated its interest in advancing the subject rule change. Given the period of time that has elapsed since CITA initially solicited public comments on this request, CITA is again soliciting public comments to determine if the subject yarns can be supplied by the domestic industry in commercial quantities

in a timely manner. The President may proclaim a modification to the U.S. - Chile FTA rules of origin only after reaching an agreement with Chile on the modification and after other domestic processes are completed to implement the modification.

DATES: Comments must be submitted by **[INSERT DATE 30 DAYS AFTER PUBLICATION]**.

ADDRESSES: Submit comments to the Chairman, Committee for the Implementation of Textile Agreements, Room 30003, United States Department of Commerce, Washington, D.C.

20230. Public versions of such comments may be submitted electronically to otexa@trade.gov.

Interested persons who wish to submit business confidential information electronically should contact Laurie.Mease@trade.gov for instructions for secure online submission.

FOR FURTHER INFORMATION CONTACT: Laurie Mease, International Trade Specialist,

Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482-2043 or

Laurie.Mease@trade.gov.

SUPPLEMENTARY INFORMATION:

Authority: Section 204 of the Agricultural Act of 1956, as amended (7 USC 1854); Executive

Order 11651 of March 3, 1972, as amended; Section 202 of the U.S. - Chile Free Trade

Agreement Implementation Act (19 USC 3805)

BACKGROUND:

Under the U.S. - Chile Free Trade Agreement (FTA), each country is required to eliminate customs duties on textile and apparel goods that qualify as originating goods under the FTA rules of origin, which are set out in Annex 4.1 to the FTA. Article 3.20 of the FTA provides that the rules of origin for textile and apparel products may be amended through a subsequent agreement between the two countries under certain circumstances. In the consultations regarding such a change, the two countries are to consider issues of availability of fibers, yarns, or fabrics in the free trade area and whether domestic producers are capable of supplying commercial quantities of the good in a timely manner. Section 202 of the U.S. - Chile FTA Implementation Act provides the President with the authority to proclaim modifications to the FTA rules of origin as are necessary to implement an agreement with Chile on such a modification.

In June 2015, the Government of the United States received a request for consultations from the Government of Chile for the purpose of considering whether the FTA rules of origin for woven fabrics of artificial filament yarn in subheadings 5408.22 - 5408.23 of the HTSUS should be modified to allow the use of non-U.S. or Chilean filament yarn of viscose rayon. The request alleged that filament yarn of viscose rayon classified in subheadings 5403.10, 5403.31, 5403.32,

and 5403.41 of the HTSUS cannot be supplied by the domestic industry in commercial quantities in a timely manner. In 80 FR 44076 (July 24, 2015), CITA solicited public comments regarding this request, particularly with respect to whether filament yarn of viscose rayon can be supplied by the domestic industry in commercial quantities in a timely manner. No information was received at that time indicating that domestic industry could supply the subject yarns.

Subsequently, the United States and Chile have continued to consult regarding the subject rule change. In November 2022, the Government of Chile reiterated its request for the subject rule change. Accordingly, CITA is again soliciting public comments on the request to determine if the subject yarns can be supplied by the domestic industry in commercial quantities in a timely manner.

Comments must be received no later than **[INSERT DATE 30 DAYS AFTER**

PUBLICATION]. Interested persons are invited to submit such comments or information to the

Chairman, Committee for the Implementation of Textile Agreements, Room 30003, U.S.

Department of Commerce, 14th and Constitution Avenue, N.W., Washington, DC 20230. Public

versions of such comments may be submitted electronically to otexa@trade.gov. Interested

persons who wish to submit business confidential information electronically should contact

Laurie.Mease@trade.gov for instructions for secure online submission.

If a comment alleges that filament yarn of viscose rayon can be supplied by the domestic industry in commercial quantities in a timely manner, CITA will closely review any supporting documentation, such as a signed statement by a manufacturer stating that it produces the filament yarn of viscose rayon that is the subject of the request, including the quantities that can be supplied and the time necessary to fill an order, as well as any relevant information regarding past production.

CITA will protect any business confidential information that is marked "business confidential" from disclosure to the full extent permitted by law. Persons submitting comments on a request should include a non-confidential version that summarizes the information included in the confidential version.

Jennifer Knight,

Chairman,

Committee for the Implementation of Textile Agreements.

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